

## **A G E N D A**

### **GOVERNANCE COMMITTEE**

REGULAR MEETING ON JULY 25, 2024

9:30 A.M. AT OAKDALE, NEW YORK

#### **MINUTES FOR APPROVAL**

1. Regular Meeting – September 28, 2023
2. SCWA Policy 909 – Purchasing Policy

## **GOVERNANCE COMMITTEE**

### **MINUTES**

DATE: September 28, 2023

LOCATION: 4060 Sunrise Highway, Oakdale

ATTENDANCE:

Charles Lefkowitz, Chairman  
Jacqueline Gordon, Member of the board  
Tim Bishop, Member of the Board (attended virtual)  
Jeffrey W. Szabo, CEO  
Tim Hopkins, Chief Legal Officer  
Donna Mancuso, Deputy CEO for Administration  
Janice Tinsley, Deputy CEO for Customer Service &  
Chief Diversity Officer  
Joseph Pokorny, Deputy CEO for Operations

ALSO IN ATTENDANCE: Patrick Brady, IT  
Jacqueline Pfeuffer, IT

EXCUSED ABSENCE: NONE

The meeting was called to order by Mr. Lefkowitz at 2:00 p.m. upon Members of the Committee being present. Noted that Ms. Gordon arrived at 2:19 p.m. for the record.

The minutes of the February 23, 2023 meeting of the Governance Committee were approved.

Mr. Szabo asked Ms. Mancuso, Deputy CEO for Administration, to review the proposed changes for the members of the board. Policies in Sections 6 through 9 were discussed, with several minor adjustments recommended by members of the committee. The Members also reviewed revisions to Policy 116 and 504 and amended a prior resolution of the board (299-09-95) to include domestic partnerships.

On motion made by Ms. Gordon, duly seconded by Mr. Bishop, it was unanimously recommended to present these revisions to policies to the Members at their meeting at 3:00 p.m. for approval.

On motion made by Mr. Bishop, duly seconded by Ms. Gordon, and unanimously carried, the meeting of the Governance Committee was adjourned at 2:35 p.m.

Respectfully submitted:  
Donna Mancuso, Deputy CEO for Administration

# SUFFOLK COUNTY WATER AUTHORITY

## POLICIES AND PROCEDURES

**SUBJECT: POLICY FOR SELECTING VENDORS  
OF NON-CONSTRUCTION PURCHASING &  
PROFESSIONAL SERVICES CONTRACTS &  
FOR DELEGATION OF IMPLEMENTATION AUTHORITY**

**FILE UNDER SECTION NO.: 9**

**EFFECTIVE DATE:** \_\_\_\_\_

**POLICY NO.: 909**

**SUPERSEDES:** September 28, 2023

**APPROVED:**

### **POLICY FOR SELECTING VENDORS OF NON-CONSTRUCTION PURCHASING CONTRACTS, PROFESSIONAL SERVICES, AND THE DELEGATION OF IMPLEMENTATION AUTHORITY**

#### **I. PURPOSE AND SCOPE**

The purpose of this Policy is to have a competitive procurement process that results in the selection of qualified vendors that offer the best value to SCWA. This policy is limited to the selection of vendors of goods or services not related to construction, professional service providers, and for the payment of expenses not subject to negotiation. This policy does not affect construction contracts awarded pursuant to §1088 of the Public Authorities Law.

#### **II. DEFINITIONS**

As used herein, the following terms shall have the means set forth below:

- A. AGGREGATE VALUE:** The value of goods or services or professional services of the same type or in the same category purchased in the same fiscal year.
- B. BEST VALUE:** The basis for awarding contracts for goods or services to the bidder/proposer which optimizes quality, cost, and efficiency, among responsive and responsible bidders/proposers.
- C. FISCAL YEAR:** The Authority's Fiscal Year commences on June 1 and runs through and including May 31 of each year.
- D. GOODS AND SERVICES:** Commodities, materials, equipment, supplies, products and other standard articles of commerce and related services.
- E. LOCAL SMALL BUSINESS ENTERPRISE:** An enterprise with no more than fifteen employees with a corporate office in Suffolk County and the office is the principal place of activity for one or more of the entity's employees.

**F. PREFERRED SOURCE:** Certain providers of goods and services, as established by Finance Law Sec. 162.

**G. PROCUREMENT OFFICER:** Shall mean, unless otherwise specified by the Authority's Members, the Authority's Purchasing Manager. The procurement officer shall comply with all related policies, including but not limited to the Authority's Policy Concerning Contacts During Procurements.

**H. PROFESSIONAL SERVICES:** A firm or individual that provides services including but not limited to, accounting, environmental, engineering, legal, architectural, appraisal, surveying, public relations, or archaeological services.

### **III. SOLICITATION OF PROPOSALS FOR GOODS OR SERVICES**

A. Solicitation for Proposals for goods or services with an Aggregate Value of TWENTY THOUSAND DOLLARS (\$20,000.00) or greater:

1. The Procurement Officer may select a vendor from an existing United States General Services Administration, State of New York, or municipal contract or pursuant to Public Authorities Law Section 2881 ("Public Contract"), or
2. The Procurement Officer may issue a sealed contract bid request or request for proposals for goods or services.
  - a. The Procurement Officer must use its reasonable efforts to circulate contract bid requests and requests for proposals (hereinafter "RFP") to prospective vendors, including posting a notice of RFP on SCWA's website.
  - b. The Procurement Officer must obtain at least one non-Public contract response or document a justification as to why a non-Public Contract vendor was not solicited.

B. Solicitation for Proposals for goods or services with an Aggregate Value less than TWENTY THOUSAND DOLLARS (\$20,000.00):

1. The Procurement Officer may select a vendor from an existing United States General Services Administration, State of New York, or municipal contract or pursuant to Public Authorities Law Section 2881 ("Public Contract"), or
2. The Procurement Officer may issue a sealed contract bid request or request for proposals for goods or services, or
3. The Procurement Officer may use its reasonable efforts to obtain competitive prices for the required item:
  - a. Reasonable efforts include purchasing the item at retail prices from a

reputable vendor whose normal course of business includes selling such items.

- b. For those items of a specialized character, reasonable efforts shall include obtaining three written quotes from reputable vendors for the item.
4. The Procurement Officer must obtain at least one non-public Contract response or an explanation as to why a non-Public Contract vendor was not solicited.

#### **IV REVIEW AND SELECTION OF VENDOR PROPOSALS FOR GOODS AND SERVICES**

##### **A. Review and Selection of Vendor Responses with an Aggregate Value of TEN THOUSAND DOLLARS (\$10,000.00) or greater.**

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
2. The Procurement Officer must cause the responses to the contract bid, request for proposals, or Public Contract vendor to the Chief Executive Officer for consideration on whether they should be presented to the Board. Such presentation may include a recommendation. If a recommendation is made to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authorize or reject entering into an agreement with a vendor for the requested good or service.

##### **B. Review and Selection of Vendor of Responses with an Aggregate Value of Less Than TEN THOUSAND DOLLARS (\$10,000.00):**

1. The Procurement Officer must cause the evaluation of responses to the solicitation considering, among other things, price, vendor experience and

responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or Preferred Source, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.

2. The responses must be presented to the Chief Executive Officer. Such presentation may include a recommendation. If a recommendation is made to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
3. The Chief Executive Officer, taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The CEO may authorize or reject entering into an agreement with a vendor for the requested good or service.

## **V. SOLICITATION OF PROFESSIONAL SERVICES**

- A. Solicitation for Professional Services with an aggregate value of TWENTY THOUSAND DOLLARS (\$20,000) or greater:

The Procurement Officer must issue a request for proposals. SCWA must use its reasonable efforts to circulate the request for proposals. Such request for proposals must be posted on the SCWA website and may be circulated by other means. If the issuance of a request for proposals is unreasonable under the circumstances, SCWA may obtain at least three quotes for such services and provide an explanation as to why a request for proposals was not issued.

- B. Solicitation for Professional Services with an aggregate value of less than TWENTY THOUSAND DOLLARS (\$20,000):

The Procurement Officer must solicit written proposals from reputable professional vendors with experience performing the requested service. A request for proposals may be issued if deemed appropriate by the soliciting department. The use of a request for proposals is encouraged if highly technical or specialized services are sought. If a request for proposals is issued, the request must be posted on the SCWA website and may be circulated by other means. SCWA may schedule a conference with the vendors prior to any award.

## **VI. REVIEW AND SELECTION OF A FIRM OR INDIVIDUAL TO PROVIDE PROFESSIONAL SERVICES**

- A. Selection of a Firm or Individual to Provide Services with an Aggregate Value TEN THOUSAND DOLLARS (\$10,000.00) or greater:

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
  2. The Procurement Officer must cause the responses to the contract bid, request for proposals, or Public Contract vendor to the Chief Executive Officer for consideration on whether they should be presented to the Board. Such presentation may include a recommendation. If a recommendation is made for use of a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
  3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authorize or reject entering into an agreement with a vendor for the requested good or service.
- B. Review and Selection of a Firm or Individual to Provide Professional Services with a Value less than TEN THOUSAND DOLLARS (\$10,000.00).
- 1 The Procurement Officer must cause the evaluation of responses to the solicitation considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or Preferred Source, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.
  2. The responses must be presented to the Chief Executive Officer. Such presentation may include a recommendation. If a recommendation is made for use of a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.
  3. The Chief Executive Officer, taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, or a Preferred Source its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The CEO may



authorize or reject entering into an agreement with a vendor for the requested good or service.

## **VII. Blanket Purchase Authorizations**

### **A. Issuance of a Blanket Authorization:**

The Board may, upon the recommendation of the Procurement Officer, authorize or reject establishing a Blanket Authorization for an anticipated amount of goods or services of the same type or in the same category from one vendor and the estimated Aggregate Value of such goods or services. The Procurement Officer must use its reasonable efforts to circulate contract bids to, requests for proposals to, or seek quotes from prospective vendors, including posting notice on SCWA's website, before issuing a Blanket Authorization to a vendor.

### **B. Review and Approval of Blanket Authorizations:**

1. The Procurement Officer must cause the evaluation of responses to the contract bid, request for proposals or Public Contract considering, among other things, price, vendor experience and responsibility, quality of product, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA.

2. The responses to the contract bid, request for proposals, or Public Contract vendor must be presented to the Board for its consideration. If a recommendation is made to use a Public Contract vendor, at least one non-Public Contract response for the same item must be provided or an explanation as to why a non-Public Contract vendor was not provided.

The recommendation must include an explanation as to why the Blanket Authorization should be issued and demonstrate compliance with this Policy by indicating the reasonable efforts made to obtain proposals from prospective vendor(s) for the items sought.

3. The Board taking into consideration, among other things, any recommendation, price, vendor experience and responsibility, whether a vendor is a Disadvantaged Business Enterprise, small local business enterprise, its ability to perform the service in a timely fashion, and other reasonable considerations with the purpose of selecting the vendor that represents the best value for SCWA. The Board may authority or reject issuing a Blanket Authorization.

### **C. Purchases after the issuance of a Blanket Authorization:**

Purchases from the selected vendor will be made pursuant to Section V above. Notwithstanding the issuance of a Blanket Authorization, the Procurement Officer may, in its discretion, but is not be obligated to, obtain competitive pricing under

the methods set forth in Sections III and IV prior to purchasing any item covered by the Blanket Authorization.

## **VIII. Purchase Orders**

Purchase Orders for Goods and Services or Professional Services under this Policy must conform to the following procedures.

- A. All individual purchases with an aggregate value of Two Hundred Fifty Dollars (\$250.00) or more require the issuance of a purchase order. The Procurement Officer, or its designee, must review Purchasing Orders for facial conformity with this Policy.
- B. Authority to issue Purchase Orders:
  - 1. Purchase Orders of any value may be issued by:  
  
Members, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Deputy Chief Executive Officer for Administration, Deputy Chief Executive Officer for Customer Service, Deputy Chief Executive Officer for Operations, and General Counsel.
  - 2. Purchase Orders with an aggregate value of less than One Thousand Dollars (\$1,000.00) may also be issued by:  
  
Chief Engineer and Director of Research and Development, Director of Communications and External Affairs, Director of Construction Maintenance, Director of Field Services, Director of General Services, Director of Water Quality and Laboratory Services, Director of Production Control, Director of Risk Management, and Director of Strategic Initiatives.
  - 3. Purchase Orders for goods or services with an aggregate value of less than Five Hundred Dollars (\$500.00) may also be issued by:  
  
The Storeroom Manager and by Managers and Superintendents for items used within their department.
  - 4. Purchase Orders for Professional Services Agreements without a Sum Certain (e.g. fees earned based on an hourly rate), must be submitted to the SCWA Board for their review and approval of payment.

## **IX. Aggregate Value**

The Procurement Officer or its designee must use its best efforts to estimate the Aggregate Value purchased in the same fiscal year to determine the applicable acquisition procedure, as established by this Policy. If during a fiscal year, the Procurement Officer or its designee determines that the estimated value is lower than

the actual purchases made, a revised estimate of the Aggregate Value must be made prior to making additional purchases. The appropriate acquisition procedure based upon the revised estimate must then be utilized.

#### **X. Purchasing Cards**

The Chief Executive Officer may authorize the issuance of purchasing cards to various departments for use to purchase goods not normally stocked by SCWA, not available under an existing SCWA contract, needed immediately, or needed from a vendor who does not accept SCWA purchase orders. The CEO, or its designee, must establish controls on the use of the cards and such controls and compliance with the same shall be reviewed no less than annually by the Internal Auditor.

#### **XI. Purchases During an Emergency Condition**

If there is an emergency that affects SCWA's normal operations this Policy may be suspended for as long as the emergency exists upon the declaration of the emergency by the Chief Executive Officer. Within a reasonable time after the emergency ends, the details of the purchase or rental of any goods or services of the same type or category (e.g. bottled water, pumping equipment) made during the emergency costing Ten Thousand Dollars (\$10,000) or more must be presented to the Board for its review.

#### **XII. Local Small Business Enterprise Preference**

If a local small business enterprise's proposal is no more than Five Percent (5%) greater than the otherwise lowest responsive bid, the enterprise may be selected to provide the good or service, as the best value.

Local small business enterprise preference recommendations must contain the reason for the recommendation. Awards to local small business enterprises must comply with all other provisions of this Policy.

#### **XIII. Preferred Source Preference**

In compliance with NYS Finance Law Sec. 162, SCWA may purchase from a qualifying Preferred Source, if the commodity or service desired is available in the form, function and utility required, and the cost of which is no more than Five Percent (5%) above the prevailing market rate, or the otherwise lowest responsive bid.

Preferred Source preference recommendations must contain the reason for the recommendation. Awards to local small business enterprises must comply with all other provisions of this Policy.

#### **XIV. EXPENSES NOT SUBJECT TO NEGOTIATION**

SCWA recognizes that the prompt payment of invoices for utilities, including, but not limited to, electrical, telephone, cellular, natural gas, governmental fees of any sort, legal notice publications, postage, and express delivery services is important and represents a

good business practice. The fees for such services are not subject to negotiation. SCWA may make such payment upon receipt of an invoice for the same without Board approval. Members, Chief Executive Officer, Chief Financial Officer, Chief Technology Officer, Deputy Chief Executive Officer for Administration, Deputy Chief Executive Officer for Customer Service, and Deputy Chief Executive Officer for Operations, and General Counsel may make such payments. In addition, the Board delegates to the Director of Finance and the Finance Department Manager authority to make payments for these services upon receipt of an invoice for the same without further Board action.

#### **XV. AUDIT OF DOCUMENTS**

All expenditures as well as processes and procedures leading towards those expenditures are subject to further audit by internal auditors, independent accountants, and appropriate government agencies as required.

#### **XVI. REPORTS**

On an annual basis, a report will be submitted to the Board reflecting number of contracts, contractor, estimated annual award amounts and amounts paid to date and the controls governing the use of purchasing cards.

#### **XVII. REVIEW**

The Board must review and reconfirm this policy on no less than an annual basis.

#### **XVIII. EFFECTIVE DATE**

The Effective Date for this Policy is -----.